

SIGNED.

Dated: July 26, 2021



*Paul Sala*

Paul Sala, Bankruptcy Judge

THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA

In re

RUBEN BORBON, JR.,

and

HEATHER NICOLE BORBON,

Debtors.

CHAPTER 13

CASE NO. 2-19-BK-15474-PS

**STIPULATED ORDER CONFIRMING  
MODIFIED CHAPTER 13 PLAN**

The Modified Chapter 13 Plan having been properly noticed out to creditors and any objection to confirmation having been resolved,

**IT IS ORDERED** confirming the Modified Plan of the Debtors as follows:

**(A) INCOME SUBMITTED TO THE PLAN.** Debtors shall submit the following amounts of future income to the Trustee for distribution under the Plan.

**(1) Future Earnings or Income.** Debtors shall make the following monthly Plan payments:

Months	Amount
1-1	\$1,503.23
2-3	\$3,006.00

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4-4	\$3,131.00
5-7	\$3,257.00
8-15	\$3,256.00
16-60	\$3,387.00

The payments are due on or before the 9<sup>th</sup> day of each month commencing January 9, 2020. Debtors are advised that when payments are remitted late, additional interest may accrue on secured debts which may result in a funding shortfall at the end of the Plan term. Any funding shortfall must be cured before the plan is deemed completed.

Within 14 days of filing them, the Debtors will provide a copy of the 2019 through 2023 federal and state income tax returns to their attorney, who is to provide the returns to the Trustee through [www.13documents.com](http://www.13documents.com).

(2) Other Property. See Paragraph (C)(6). In the event that other property is submitted, it shall be treated as supplemental payments

(B) **DURATION.** This Plan shall continue for 60 months from the first regular monthly payment described in Paragraph (A)(1) above. If at any time before the end of the Plan period all claims are paid, then the Plan shall terminate. In no event will the term of the Plan be reduced to less than 60 months, exclusive of any property recovered by the Trustee, unless all allowed claims are paid in full.

(C) **CLASSIFICATION AND TREATMENT OF CLAIMS.** Claims shall be classified as listed below. The Plan and this Order shall not constitute an informal proof of claim for any creditor. This Order does not allow claims. Claims allowance is determined by § 502 and the Federal Rules of Bankruptcy Procedure. The Trustee shall receive the percentage fee on the Plan payments pursuant to 28 U.S.C. § 586(e), then the Trustee will pay secured creditors or allowed claims in the following order:

(1) Administrative expenses:

1 Attorney Fees. Tom McAvity, shall be allowed total compensation of \$4,500.00.  
2 Counsel received \$26.00 prior to filing this case and will be paid \$4,474.00 by the  
3 Chapter 13 Trustee. Tom McAvity shall be allowed additional compensation of  
4 \$750.00 for the Modified Plan and will be paid by the Chapter 13 Trustee.

5 (2) Claims Secured by Real Property:

- 6 (a) Creditor, Freedom Mortgage Corporation, secured by a first deed of trust in the Debtor's  
7 residence, shall be paid pre-petition arrears of \$3,542.87, with 0%  
8 interest.
- 9 (b) Conduit mortgage payments shall be paid by the Trustee beginning in month 1 of the Plan  
10 for the mortgage payment due to the creditor on January 1, 2020. The  
11 conduit payment shall be paid by the Trustee for the duration of the Plan unless otherwise  
12 ordered. For any month when the balance on hand in Debtor's account is insufficient to  
13 allow disbursement of the conduit payment and any adequate  
14 protection payments on personal property that have become due, the amount due for that  
15 month will be paid to the creditor on the next disbursement date when the Debtor's account  
16 balance has sufficient funds to pay a full conduit payment.
- 17 (c) If and when a Notice of Payment Change is received, the Trustee will adjust the Plan  
18 payment to reflect the decrease or the increase in the mortgage payment, The Trustee is  
19 authorized to disburse the new mortgage conduit payment without  
20 seeking an Order of the Court or a modification of the Plan.
- 21 (d) Secured Creditor, Freedom Mortgage Corporation, shall be paid Post Petition  
22 mortgage fees of \$900.00. If Freedom files any additional notices for post-petition fees  
23 and expenses, within 21 days of the notice, the Debtors will submit an amended SOC to  
24 the Trustee. The amended SOC must provide for payment of the additional expenses, plus  
25 trustee fee, and increase plan yield accordingly.
- 26 (e) Meridian Community Association, secured by a lien in Debtors' residence, shall be paid  
27 pre-petition arrears of \$1,524.00 with 12% interest, and \$571.00 in post-petition arrears.  
28 The Debtors will make regular post-petition payments directly to the association. Meridian  
Community Association shall retain its lien regarding the pre-petition arrears until the entire  
pre-petition arrears have been paid through

1 this Plan.

2  
3 (3) Claims Secured by Personal Property:

4 (a) Vantage West Credit Union, secured by a lien in 2016 GMC Terrain, shall be paid  
5 a secured claim of \$17,366.00 with 6% interest. The creditor will receive adequate  
6 protection payments of \$200 per month. The balance of the debt shall be classified  
7 as unsecured.

8 (b) Arizona Central Credit Union, secured by a lien in 2008 Chevy 2500 shall be paid  
9 a secured claim of \$10,000.00 with 6% interest. The creditor will receive adequate  
10 protection payments of \$200 per month. The balance of the debt shall be classified  
11 as unsecured.

12 (4) Unsecured Priority Claims:

13  
14 (a) Department of Treasury/Internal Revenue Service shall be paid an unsecured  
15 priority claim of \$1,140.81 with no interest for income taxes.

16 (b) Arizona Department of Revenue shall be paid an unsecured priority claim of  
17 \$835.48 with no interest for income taxes.

18 (5) Surrendered Property:

19 Upon confirmation of this plan or except as otherwise ordered by the Court,  
20 bankruptcy stays are lifted as to collateral to be surrendered. Such creditor shall  
21 receive no distribution until the creditor timely files a claim or an amended proof of  
22 claim that reflects any deficiency balance remaining on the claim. Assuming the  
23 creditor has an allowed proof of claim, should the creditor fail to file an amended  
24 claim consistent with this provision, the Trustee need not make any distributions to  
25 that creditor. Debtors surrender the following property:

26 (a) None.

1 (6) Other Provisions: Unsecured creditors will be paid a minimum of \$1,661.00 before  
2 the Plan will be deemed complete. The Trustee received \$290.00 in nonexempt state  
3 and federal income tax refunds for 2019. The tax refund will be applied as a  
4 supplemental payment to be paid first to unsecured, priority claims, and then to  
5 unsecured, nonpriority claims. The Debtors have increased plan funding by \$1,661.00  
6 to compensate creditors for the remainder of the nonexempt state and federal income  
7 tax refunds for 2019.

8 (7) Unsecured Nonpriority Claims. Claims allowance is determined by § 502 and the  
9 Federal Rules of Bankruptcy Procedure. Allowed unsecured claims shall be paid pro  
10 rata the balance of the payments under the Plan and any unsecured debt balance  
11 remaining unpaid upon completion of the Plan may be discharged as provided in 11  
12 U.S.C. § 1328.

13 (D) **EFFECTIVE DATE AND VESTING**. The effective date of the Plan shall be the  
14 date of this Order. Property of the estate vests in Debtors upon confirmation, subject to the rights  
15 of the Trustee to assert a claim to any additional property of the estate pursuant to 11 U.S.C. §  
16 1306.

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17 **ORDER SIGNED ABOVE**

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18 Approved as to Form and Content By:



19 Russell Brown  
20 2021.07.22 14:29:17  
21 -07'00'

22 Russell Brown, Trustee


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24 A handwritten signature of Tom McAvity in black ink.

25 Tom McAvity  
26 Attorney for Debtors

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4 Howard A. Chorost  
5 Attorney for Creditor, Vantage West Credit Union  
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12 Edith I. Rudder  
13 Attorney for Secured Creditor, Meridian Community Association  
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17 The Debtors certify: All required State and Federal Income tax returns have been filed No  
18 domestic support obligation is owed or, if owed, such payments are current since the filing of the  
19 Petition.  
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28 RUBEN BORBON, JR., Debtor

HEATHER NICOLE BORBON, Debtor

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4 Howard A. Chorost  
Attorney for Creditor, Vantage West Credit Union

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7  06/14/2021  
8 Edith I. Rudder  
Attorney for Secured Creditor, Meridian Community Association

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17 RUBEN BORBON, JR., Debtor

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20 HEATHER NICOLE BORBON, Debtor

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Howard A. Chorost  
Attorney for Creditor, Vantage West Credit Union

Edith I. Rudder  
Attorney for Secured Creditor, Meridian Community Association

The Debtors certify: All required State and Federal Income tax returns have been filed No domestic support obligation is owed or, if owed, such payments are current since the filing of the Petition.



RUBEN BORBON, JR., Debtor



HEATHER NICOLE BORBON, Debtor